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Former Humanitarian Workers Convicted In International Fraud Scheme

WASHINGTON – Two former humanitarian aid workers were convicted today of defrauding the U.S. Agency for International Development (USAID) of \$1.9 million, announced Assistant Attorney General of the Criminal Division Lanny A. Breuer and U.S. Attorney Ronald C. Machen Jr. of the District of Columbia. At sentencing, the defendants face up to 20 years in prison.

Morris B. Fahnbulleh, 40, and Joe O. Bondo, 39, both of Monrovia, Liberia, were each convicted by a jury in U.S. District Court for the District of Columbia of one count of conspiracy to defraud the United States, four counts of mail fraud, two counts of wire fraud and four false claims counts. Fahnbulleh was also convicted of one count of conspiracy to commit mail and wire fraud. Bondo was also convicted of two counts of witness tampering. The Honorable Judge Reggie B. Walton scheduled sentencing for February 3, 2011. Fahnbulleh and Bondo have been in custody since their arrests in 2009.

“Rather than help their fellow citizens in need, these defendants sold food intended as aid and pocketed the proceeds,” said Assistant Attorney General Breuer. “But their criminal scheme was uncovered, due in large part to the cooperation provided by World Vision, and today they have been held accountable. Fraud involving taxpayer funds, whether in the United States or abroad, will not go unpunished.”

“Corruption is a disease and this case has ramifications far beyond its dollar amount,” U.S. Attorney Machen said. “The work of the US Attorney’s Office, the Department of Justice and USAID’s Office of Inspector General demonstrates the United States’ commitment to ensure that humanitarian aid worldwide is delivered to its intended recipients. Crimes like these leave behind thousands of victims and a legacy of cynicism and distrust. Today, hopefully we have redeemed some of that trust and sent a message that if you engage in this sort of corruption, you will be held accountable.”

After Liberia’s 14-year civil war, USAID awarded a grant in 2005, through Catholic

Relief Services, to World Vision, an international non-profit Christian humanitarian foundation. The grant was a two-year humanitarian project in Liberia for community reconstruction projects. Under the agreement, Fahnbulleh and Bondo were assigned to supervise World Vision employees as they assisted Liberian communities with infrastructure projects, including road, latrine and water well construction. In return for their labor, USAID, through World Vision, was supposed to then distribute food to the residents of these communities.

However, in 2008, an internal audit conducted by World Vision revealed that up to 91% of the food never reached its intended beneficiaries. According to the trial evidence, the defendants sold the food and pocketed the proceeds; they then instructed World Vision employees to falsify the documents used to track food distributions. The defendants also directed USAID-salaried employees to perform work on their personal compounds and further concealed these activities from World Vision headquarters, Catholic Relief Services and USAID by intimidating the World Vision employees with threats of job loss and by paying some subordinates “hush money” to cement their silence and cooperation.

“USAID entrusted World Vision to carry out this important humanitarian assistance and unfortunately some of its employees violated that trust,” said Howard “Ike” Hendershot, USAID Assistant Inspector General for Investigations. “The convictions are an outstanding accomplishment for our office and an example of the positive relationship that we have with the Department of Justice.”

The case was prosecuted by Assistant U.S. Attorney John Borchert of the District of Columbia and Trial Attorney Liam Brennan of the Criminal Division’s Fraud Section. The Criminal Division’s Office of International Affairs assisted in the case. The investigation was conducted by USAID Office of the Inspector General. World Vision also provided assistance.

In announcing the verdicts, Assistant Attorney General Breuer and U.S. Attorney Machen commended the work of Special Agent Alcides Evora and former Special Agent Mai Huang, of the USAID Office of Inspector General, who performed much of the investigation. They also acknowledged the efforts of numerous law enforcement partners, including: USAID Office of Inspector General Special Agent in Charge, Lisa McClennon; Regional Security Officer Christopher Gillis at the U.S. Embassy in Liberia; the FBI forensic examiner on the case; Paralegal Specialist Tasha Harris; Fraud Section Law Clerk Diana Wang, and Legal Assistant Jamasee Lucas, as well as the Department of Justice’s Office of International Affairs.

Finally, they expressed appreciation for the work of Assistant U.S. Attorney Borchert and Trial Attorney Brennan.